INDEX

TO

COMMON-PLACE BOOKS,

Relative to

Coins and Coinage.

England. [Appendix. - Finance.]
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+
7755. df. 18.
1-3.

General Heads of Memorandums

RELATIVE TO

COINS AND COINAGE,

And to Subſtitutes uſed for

Coin in England, Holland, and Hamburgh,

AND THE EXPEDIENCY OF

ATTENDING TO RULES ESTABLISHED AT THE MINT,

AS THEY AFFECT

COMMERCE AND THE REVENUE,

And are eſſential for ſupporting an ample Currency of *legal Coins* in Gold and Silver,

Inſtead of Paper and Counterfeits.

Birmingham,
PRINTED BY THOMAS PEARSON.
MDCCXCII.

BRITISH MUSEUM

HAVING been repeatedly called upon by the Lords of the Treaſury, and by the Lords of Council, for my opinion relative to the ſtate of the Mint and of the Coinage, I delivered to the Lords of the Treaſury in November, 1782 (with the aſſiſtance of my Son) a Report on the State of the Mint; and afterwards, by their direction, we proceeded to examine the ancient indentures and other rules, as to former practices that could be found in the Tower of London and the Rolls Chapel. And that the ſubject of Coins, Coinage, Exchanges, relative value of Gold and Silver in different countries might be underſtood, we aſſayed conſiderable quantities of the Coins of France, Holland, Ruſſia, Hamburgh, and Spain; attended to the variations between the market price and Mint price of Bullion and Coins in thoſe countries, and the different proportional prices at which Gold and Silver are now eſtimated at the Mints of Holland, Ruſſia, England, France, Portugal, and Spain; and alſo to the variations which have occurred in the proportional value between Gold and Silver Bullion ſince the eſtabliſhment of the preſent proportions at the Engliſh Mint. We very carefully examined, through the aid of Mr. Hope, and Mr. Van Homrigh, of Amſterdam, and Mr. Thornton, of Hamburgh, the principles on which Exchanges are made between this country, Holland, France, and Hamburgh, nor did we neglect to refer to the late Publications of Necker and Calonne, and the more ancient ones of Locke and Monteſquieu, &c. &c. The reſult of theſe different enquiries as they aroſe, were entered into five different Common-place Books at different periods in the courſe of nine years. The following heads are collected as an Index to refer to theſe memorandums, and to other obſervations upon Mint Eſtabliſhments, and upon the ſubſtitutes for Coin at Amſterdam, Hamburgh, and in England.

Reaſons for inveſtigating the preſent State of the Mint.

THE want of ſmall legitimate Coins, has occaſioned the circulation of great quantities of Silver and Copper Counterfeits, at a rate far beyond their value as Metal.

Enormous Rates are paid for making our Coin, and yet it has not been executed in the moſt effectual manner to put difficulties upon Counterfeiters.

Ancient Rules for the proper Conduct of the Mint have been neglected.

Guineas have been deficient in fineneſs, and thereby occaſioned great loſs to our Country in Bills of Exchange with Foreigners.

The Methods practiſed to prevent Frauds, are inadequate for that purpoſe.

AND

There are many unneceſſary ſinecure Places.

The

THE FOLLOWING PRINCIPLES

ARE CONSIDERED AS

Fundamental for a Mint Eſtabliſhment.

I. TO ſecure an ample Currency of Coins for Domeſtic Purpoſes in Copper, Silver, and Gold.

II. To eſtabliſh a diſtinct unequivocal Medium of Exchange for Tranſactions with Foreigners.

III. That the Coin ſhould be executed in the beſt Modes that are known to prevent Counterfeits, and at Rates that are not enormous.

IV. That diſtinct Rules ſhould be eſtabliſhed and ſtrictly enforced for ſecuring a punctual adherence to the Standard in Fineneſs, and to prevent Fraud.

N. B. The Figures marked No. 1, 2, 3, 4, 5, 6, refer to the Figures marked on each Book. And the Figures in the Column refer to the Pages in the Book.

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
COPPER COIN, being oftner uſed than Silver or Gold, the ſituation of the Currency in that Coin is firſt referred to	33 to 39 59. 60. 61. 67 72.	28 to 31 53 to 56	18 to 21	7	
SILVER COIN, being oftner uſed than Gold, the ſituation of the Currency in that Coin, is referred to in the ſecond place	32. 43. 44 46. 54. 58 59. 66. 67 69. 72	15. 24 25. 26 27. 34 35. 36 42. 52	15. 16 17 6. 7. 8 49 to 60	6	
GOLD COIN, muſt not be conſidered merely as a Medium for daily Transfers, but as the Security or Guarantee for Payment of the immenſe quantity of Paper in circulation under the following Heads, viz.	10. 14 17 to 20 22 to 32 40	3 to 7 10 to 19 34	1 to 14 26 to 31 43	2 to 5 9 to 16 27	4 to 26
Five Guinea Notes circulated in England, as a ſubſtitue for Gold Coin.	to 43 46	35 40	44 47	to 31	
Scotch Banks and Bankers Notes, circulating as ſubſtitutes for one Guinea, &c.	to 53 56	41	50 56		
Bank of England Notes and Bankers Notes for 10l. and upwards.	62 64. 65		59 60		
Mercantile Bills or Notes for domeſtic and foreign Tranſactions in Commerce.	66. 68 69. 70				

Gold Coin muſt alſo be conſidered as the reſource and ſupport of a ready currency for the increaſe of domeſtick tranſactions in time of war, when much more paper is neceſſarily put into circulation by the Bank of England, &c. &c. than in times of peace; and conſequently paper and national credit become objects of critical importance; the ſupport of which by referring to Silver as a legal tender, is little better than a forlorn dependence even for the Bank of England, and a hopeleſs protection for Bankers' notes, which in the neighbourhood of Birmingham and other manufacturing towns, and in Scotland, certainly amount to much more than the Gold Coin in currency; it is therefore neceſſary to adopt ſuch methods as will have a tendency to ſecure an ample currency of Gold Coin in the kingdom for domeſtick tranſactions, and particular attention ſhould be given to the proportional value between Gold and Silver *at the Markets* and the *Mints* of Holland, France, Spain, and Portugal.

COPPER COIN.

	No. 2.	No. 3.	No. 4.	No. 5.
EXCELLENT Medals were never put into circulation as copper coin, which might have been done, and of the *ancient ſtandard*, with a profit to the revenue of more than 3000l. a year, and alſo have given a very acceptable accommodation to the public.			18, 19	

	No. 1.	No. 2.	No. 3.	No. 5.
I. My Son's and my opinion on copper coinage, in our report to the Lords of the Treaſury, November, 1782.	27 28 29		32	
II. My opinion upon copper coinage, delivered to Mr. Pitt at his requeſt in March and April 1787, in my firſt octavo common place book, pages 61, 62, 63, 64, 65, 66, 67, 68, containing alſo many other neceſſary regulations at the Mint.				
III. My opinion at large upon copper coinage, in conformity to the deſire of the Lords of Council, January 11, 1790.		33 to 39		
IV. Remarkable notes upon copper coin and coinage, in my firſt octavo common place book, pages 11. 13, 14, 15, 16, 17, 18. 57. 59. 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80. 90.				
Fluctations in the price of copper from the year 1771 to 1792.				

	No. 2.	No. 3.	No. 4.
I. Many petitions were preſented to the Lords of the Treaſury on the ſubject of copper coin, and ſo far back as the year 1751, a very ingenious pamphlet was publiſhed by Richard Perrot Eſq. of Hawkeſbury, in order to alarm the country upon the quantity of counterfeits then putting into circulation (p. 40, in my firſt quarto common place book) but in conſequence of neglect at the mint, a very baſe currency of copper coin has been introduced, to the amount of many hundred thouſand pounds; and upon the Lords of the Treaſury enquiring *in the year* 1754, what quantity of copper coin was in circulation; the good was reported *by the mint officers* to be 1800 ton; and of bad eſtimated by the traders 1200 ton, *ſince which* there has been coined at the King's mint 351 ton 10 hundred. That 3351 ton 10 hundred amounts to upwards of ſeven hundred thouſand pounds ſterling, beſides great quantities which have ſince then been put into circulation, as there are now many more counterfeits in currency than of the King's coin.	60 61 72	28 29	18 19

That

	No. 2.	No. 3.	No. 4.	No. 5.
That there has been circulated from the mint, in the reign of the laſt and preſent King, to the amount of 222,478l. ſterling			19	7
That the great inconveniencies which were occaſioned from the want of good coin, and the very baſe quality of the counterfeits, have induced many people of property to coin and publicly circulate copper of different weights as half-pence, ſome of which are much heavier than the King's coin.				7
That there would be an impropriety in adopting meaſures, by which the people muſt loſe 150,000l. by copper coin circulated from the King's mint,	60	30	19	
Or, by ſuch *which cannot be diſtinguiſhed from that coined at the King's mint.*	59	30		
That more than one hundred (probably two hundred) thouſand pounds might be gained to the revenue by coining excellent medals in copper, of the ancient and uſual ſtandard in weight.	67			
Such medals would be a great public accommodation, it is remarkable that the King's copper coin was never objected to by the people, on the contrary it was always acceptable, and no other difficulty attended circulating the quantity *that was much wanted*, than a reaſonable allowance from the mint, to pay the carriage to diſtant places, and the trouble of delivery *in exchange for ſmall ſilver coin*, and for the neceſſary advance of money by the diſtributors, *and for incidental hazard.* (See my anſwer to the Lords of Council on this point)	60 2 33 to 39	29	18	
That it would be improper to allow a coinage at any other place than the King's mint.			21	
That an attempt to introduce a heavier coin of the King's than the ancient ſtandard, would inevitably occaſion a public calamity.	30. 33 34. 35 60. 61	30	19	
That (probably) more than nine-tenths of the counterfeits now in circulation may be eaſily ſuppreſſed.	36. 37	30. 31 54	19	7
That the circulation of future counterfeits may be eaſily prevented.	36. 37	30. 55	19. 20	7
That the buſineſs at the mint ſhould be conſidered as a trade, *as it is in Holland*, and conducted by men of experience, as manufacturers and merchants (upon being allowed a ſmall per centage of the profit acquired for the King) the lamentable ſtate of the copper currency, has undoubtedly been occaſioned by the neglect of that principle, as the managers at the mint, had neither motives to promote the ſale, nor the neceſſary qualifications to meet counterfeits as opponents in trade.	37. 38	29. 54	18. 21	

SILVER COIN,

FOR DOMESTIC CIRCULATION.

I. THAT the quantity of silver coined at the Engliſh mint, from the year 1701 to the year 1782, amounted to *no more than* 1,035,628l. *ſterling*. — No. 2. 17

II. That the quantity of silver coined at the French mints, between the years 1726 and 1784, amounted to 66,042,416l. 13s. 4d. ſterling, which is on average 1,138,662l. 7s. 1d. ſterling annually, reckoning thirty-pence Engliſh equal to three livres (Neckar, vol. 3. p. 59) — No. 2. 17

Mr. Neckar ſtates vol 3. on finance, p. 67, that in 15 years, from 1763 to 1777, there was coined at the French mints 28,145,833l. 6s. 8d. ſterling of gold and silver, which is annually on average 1,876,388l. ſterling, and this he repreſents as the annual quantity (on average) coined in France. If the proportion between the two metals in thoſe years, was the ſame as from the years 1726 to 1784, there was coined annually of silver 1,142,306l. *ſterling*. — No. 3. 15

III. That silver coin was formerly eſteemed the only legal tender, but it is now impracticable to obtain *(from the coin in currency)* ſo much as 100l. that would not be more than ten per cent. under weight. In the 14th and 16th of Geo. II. laws were made to reſtrain silver coin that was under ſtandard weight, being a legal tender for more than 25l. — No. 2. 28 — No. 4. 8

IV. Silver Engliſh coin hath not for many years been the medium of exchange with foreigners, nor the tender uſed for payment of large ſums of money ; *and it is highly improper to allow both gold and ſilver to be legal tender for large ſums.** — No. 2. 66 — No. 4. 5 6 7 8 49 — No. 6. 14 26

V. It is improbable that ſo much Engliſh silver coin can be obtained in a few years as to be a legal tender for even one year's intereſt of the money that Britain hath borrowed of foreigners ; nor is it likely to become the medium of exchange between Britain and foreigners. — No. 2. 69 — No. 4. 7 — No. 5. 6

VI. Material notes on a silver coinage in my firſt octavo Common-place Book, pages 63, 81, 82, 83, 84, 85, 86, 87, 88, 94, 96.

VII. The

* June 1793
Copy of Letters to Lord Hawkesbury June 18. & 19. 1793

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6
VII. The market price of silver fluctuates so much as to render it an improper medium as a legal tender for large sums of money, *at a fixed rate per ounce.* In the years 1783 and 1785, it varied 15¼ per cent. *and in 1783, the price of standard silver was 72 shillings and 4 pence for 1lb. (i. e. 12 oz. Troy) which is after the rate of 144 sixpences and 4 pence per lb.*	- - - -	34 - -	6 - - - 16	- - - -	26
VIII. It is impossible in a few years to obtain such a quantity of silver bullion as would be *sufficient for a convenient domestic currency (in small payments under a guinea)* without very much advancing the market price of bullion in Europe.	54 67		7 8	6	
IX. That from the scarcity of legitimate silver coin in England, the greatest part in currency is counterfeit.				6	
X. That about half of the sixpenny pieces in currency, are 36 per cent. deficient in standard weight.		25		6	
XI. That the greatest part of the shillings in currency are more than 80 instead of 62 in 1 pound (or 12 ounce troy) and more than 30 per cent. deficient in standard weight.		24	15		
XII. That the above mentioned six-penny and shilling pieces pass *from necessity*, and if any effectual measures were taken to suppress the currency, without providing others to answer the same purposes, it would occasion great confusion and distress to the bulk of the people.	43 58 59		6 16 53 54		
XIII. That the greatest part of the above-mentioned silver pieces are without any impressions on them, and therefore can be easily made by some hundreds of inferior workmen, and many have suffered death for it. *That it is cruel to permit such a temptation to exist, and to punish those with death who furnish the necessities of the country with a coin of more value than the bulk of that which is in circulation, and without which nine-tenths of the common payments and domestic exchanges would prove extremely inconvenient.*	66		6 7 15	6 6	
XIV. Pieces of white-metal without any silver in them, of the size of shillings and six-penny pieces, some of them quite plain, and some with little marks upon them, are put into circulation as coin.			16		
XV. The loss to the revenue and inconvenience to the public, from the want of proper measures being taken to accommodate the country with small coins, may be inferred from notes.	66		6. 16 52		

	No. 2.	No. 3.	No. 4.	No. 5.
Of the Silver and copper money received as tolls on Black Friars Bridge, about 15 per cent. *could not be paſſed again as coin*, but was ſold as waſte metal (ſee page 55, in my firſt quarto common place book) and the overſeers of the poor of Birmingham, ſent to me ſilver coin, which they had received for 7l. 2s. 6d. and could not paſs again as coin, I refined the ſame, and found it did not contain one-third of its nominal value in ſilver, and ſome half crowns and ſhillings, which were ſaid to be made by —— Springers, in this town, proved on aſſay from 4 oz. 6 dwts. to 4 oz. 11 dwts. of fine ſilver in 12oz. (quarto 1783, page 65)			16	
XVI. *Counterfeits cannot be ſuppreſſed without plenty of legitimate coin*, and it is frivolous to coin ſilver or copper upon any principle, that will not effectually circulate it through the three kingdoms, and continue it in currency, *counterfeits are uſed from neceſſity.*	43 58 59		14	
XVII. That in order *to ſecure a domeſtic currency* of ſilver coin, from exportation or the melting pot, *it is neceſſary* that the nominal price ſhould be much more than the common market price of bullion, otherwiſe it is an encouragement to the melting and exportation of it. The bulk of the ſilver in currency as coin, is paſſing at 30 or 40 per cent. above its real value, though gold coin is cut when only 1½ per cent. under ſtandard.			6. 7. 17	
XVIII. That *it has been impoſſible to ſupport a currency of ſilver coin upon the rule eſtabliſhed at the Mint* (i. e. of coining 1 lb. of ſilver into 124 ſixpences) and therefore highly improper to coin ſilver for the Bank of England to hoard, as it would be inſtantly melted or exported as bullion, whenever iſſued at a time of public calamity, and without protecting the Bank from diſhonour, and great numbers from ruin who depend on it for diſcounting bills. A run upon the Bank is a contingency that can be remedied by no other means than a general aſſociation to protect an eſſential prop to public credit, which is utterly impoſſible by paying in ſilver; and the Dutch very juſtly treat the idea with contempt.	58 66		7 12 17	6 9
XIX. There can be no doubt that a currency of ſmall ſilver coin is neceſſary for domeſtic accommodation, and what is ſtated above being the real ſituation of the currency in England, the proper conſideration is, in what mode it is poſſible *with certainty, and in what time*, to put ſuch a coin into circulation, as will perfectly accommodate the public *for domeſtic purpoſes*, and ſuppreſs the preſent counterfeits *with as little inconvenience as poſſible?*	44 67 72			1 6

XX. A

	No. 2.	No. 3.	No. 4.	No. 5.	N°7
XX. A Plan propoſed for making a coin in ſixpenny pieces, 144 to the lb. which would be 28 *per cent. more valuable* than the average, and 36 *per cent. more valuable* than one half of thoſe at preſent in currency, by which the revenue would gain many thouſand pounds annually. If ſuch pieces were not permitted to be a legal tender for more than one guinea, it would be too ridiculous to ſay the courſe of exchange would be affected thereby, or *that the temptation to counterfeiters would not be materially diminiſhed*; and it would certainly be a moſt acceptable and popular meaſure, *it would ſave the lives of ſome counterfeiters, and many from ruin.*	44 54 58 59			6	
XXI. That coining 144 ſixpences from 1 lb. of ſilver (inſtead of 124) may be ſuppoſed to advance the price of labour and proviſions, and afford temptation to counterfeiters. Therefore thoſe objections are anſwered.	32 67		7 52		
XXII. The gentlemen who enjoy ſinecure offices in the mint, and their deputies, and aſſayers and engravers, cannot wiſh for trouble without any emolument; and the charge of that department depending upon them, it cannot be ſurprizing that a ſilver and copper coinage hath been neglected and brought into the ſituation above ſtated.	43			1 8	
XXIII. That the buſineſs at the mint ſhould be conſidered as a Trade, and conducted as in Holland, by manufacturers and merchants, under effectual checks to prevent miſconduct.	18 to 21	10	8	1	18
XXIV. That mint offices being ſinecures, and government not attending to the principles of coining ſmall money (by which ſome hundred thouſand pounds might have been gained to the revenue) the public have been, and are under *the indiſpenſable neceſſity* of uſing counterfeits for the general occurrences in life, and the people who were tempted to give, and did give that neceſſary accommodation, have been proſecuted at an expence of 6ool. a year.	66 72			1 6	

GOLD

GOLD COIN,
FOR DOMESTIC CIRCULATION.

IT is not meant under this head to consider gold as a medium of transfer with foreigners, that material point will be taken into consideration under the title of a "*Distinct unequivocal medium of exchange for transactions with foreigners.*" It is intended under this head to shew, that the quantity of *actual specie* in domestic circulation, is of great importance, not only as a medium for daily transfers under five guineas, but also as *the security or guarantee* for the immense sums in circulation under the following heads, viz.

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
Five guinea notes, which are in circulation *as a substitute for gold coin.*					
Scotch bank and bankers' notes in circulation, as substitutes for one guinea, &c.					
Bank of England notes, and bankers notes for 10l. and upwards.					
Mercantile bills, or notes for *real* transactions in commerce.					
Bills or notes *not for real* transactions in commerce, but that are used *merely* for raising money on credit.					
And gold coin must be considered as a fundamental dependence in time of war, when the necessities of the state require much more paper (*and consequently more gold coin*) to be put into the circle than is usual in peaceable times; and therefore as gold is now under the coining price, and great quantities of light guineas daily brought to market as bullion, the present opportunity should not be lost of securing an ample currency of gold trading coin as in Holland.	20 40	34		3 4	~~14~~ 15
Gold for domestic currency should *not* be coined upon such principles as would render it *more convenient* to export than bullion.	20. 27 46. 47			10	
Guineas are worth more than the same gold in an ingot, as the quality is so ascertained as to prevent any dispute on account of uncertainty of assaying, and may be exported in the exact quantity wanted (see page 44, in my first quarto Common-place Book).					

Of

	No. 2.	No. 3.	No. 4.	No. 5.
Of great importance to be diſtinctly acquainted with the proportional value between gold and ſilver, which is, or may be, eſtabliſhed as the mints of Holland, France, Spain, and Portugal.	14		5 6. 12 30. 31 44. 50	10 2. 3
Gold coin in England has been advanced by the Sovereign's proclamation, 39l. 9s. 6½d. per cent. ſince the 43d Queen Elizabeth, ſince when it hath alſo been current in guineas 99l. 5s. 1d. per cent. above what was then the mint price, and they are now 16l. 1s. 8½d. per cent. above the mint price of Char. II. (1660) *notwithſtanding which*, they are under the mint price of gold in France, Spain, and Portugal (*when eſtimated by ſilver coin*).	5 10 14 28 69		6	
The French have for more than ſixty years obtained double the quantity which Britain hath obtained of the bullion brought to Europe from America, and have coined more than three times as much.	17	15		30 31
Prior to the 30th October, 1785, gold *bullion* was eſtimated 4l. 17s. 11½d. per cent. more at the Engliſh than at the French mint (*when compared with ſilver bullion*) conſequently it was the intereſt of foreigners to remit gold to England and ſilver to France, and therefore the bulk of the current coin in France was ſilver, and in England gold. But at the 30th October, 1785, the French advanced the price of gold 6l. 13s. 4d. per cent. and therefore *now* it is become the intereſt of foreigners to remit gold to France and ſilver to England. The effect which this alteration may have on the domeſtic currency in England, is entitled to ſerious conſideration.			5 12 13 43 50	
An ample currency of gold coin being *in many reſpects* of national importance, and being impracticable to ſecure it (unleſs the balance in bullion is in favour of our country) without either taking a ſeignorage, or eſtimating gold at a higher price at the mint than at preſent (when compared with ſilver) it therefore becomes expedient to conſider whether either of thoſe modes, and which, can be adopted without injuſtice or oppreſſion to any body.	18 19 20 27 40 52		5 17 26 36 43 44	5 10 9
Dangerous to leave the important object of an ample domeſtic circulation of gold coin *ſolely to the judgment and attention of the Directors of the Bank of England*, whoſe intereſt it may be (if not expedient for their ſecurity) to ſuppreſs all the bankers notes circulating under 10l. as a ſubſtitute for guineas; and it certainly is in their power to produce great confuſion, by adopting ſuch a meaſure; and whether it is not materially the intereſt of our country, that it ſhould be done (in order to reſtrain the enormous circulation of thoſe notes) is entitled to ſerious conſideration.	41 42 48 49 50			

NB The failure of Country Bankers Credit in March April & May 1793 was ſome years ſubſequent to making this Memorandum

FOR

* Refer to the French Kings Edict Common-place Book N°. 7, page 19

THE inconveniencies and disadvantages that may be suggested would arise to our country, if either a seignorage was taken at the coining of gold for domestic currency, or, if it was rated at the same value as in Portugal or Spain (when estimated by silver) *supposing the coin not a legal tender for more than 20l.*

	No. 2.	No. 3.	No. 4.	No. 5.
I. That a person would be obliged to accept of two grains less gold for ten shillings *than has been usual since the great re-coinage in 1774.*	24			
Answered in the notes	24 25			
II. That it would by so much have a tendency to raise the price of all common articles that are sold for gold.	24			
Answered in the notes.	24 25			
III. That it would afford temptation to counterfeiters	24			
Answered in the notes.	24 25 29		7	
IV. That it may affect the course of exchange with foreigners. ✳	24 26		7 &c.	✳
Answered in the notes.	24 63	36	7 &c.	
V. That it would be altering the proportional value between gold and silver.	24			
Answered in the notes.	24 27		30 7	3
That the balance of bullion with foreigners *depends solely upon the exports of the manufactures of our country, and not upon the seignorage taken for coining.* See Locke, 4to. 8th edition, p. 100, 114,—and Necker, Vol. III. p. 339.			8 53 54	10
This is a favourable period to obtain a plentiful currency of *domestic gold coin*, now so many guineas are recoining, and gold is cheaper in England than in other countries (*when estimated by silver*).	19 52 53		43	11
Tables containing a comparative view of the value of guineas, louis d'or, and Dutch ducats. ✳			11	
Those methods of coining should be used which are the most difficult to counterfeit.	32	6	20	6

✳ N3 .... The value of coin in Holland so far as relates to foreigners is in a constant state of fluctuation by an Agio, which has varied 7 p Cent in the last 7 years, notwithstanding which the course of all the Exchanges in Europe are influenced by the Exchange at Amsterdam, where two Hours daily fix the Course of Exchange, before they come to Change nothing is done in the Exchange. Bushrigh... (See Commonplace Book No. 9. p. 47)

✳ June 1793 .. Refer to Com.ns place Book N.o 7 page 12 Note 3

Copy of a Letter to Lord Hawkesbury June 18. 1793

The Riders of f 14 Gilders are the only Gold Coin that is Legal Tender in Holland,

March 1794 the market price of Riders at Amsterdam was f 14. 12 stv to f 14. 14 stv,

When Riders are sold at f 14. 13 stv it is after the rate of £ 4. 12. 10 Sterling p Cent more than their Legal Value,

which with £ 5. 11. 5 p Cent taken as Seignorage at coining, is £ 10. 4. 3 p Cent more than the Mint price allowed for Gold

Messrs. Hope
Muilman

	No. 2.	No. 3.	No. 4.	No. 5.
That coining gold of the ſame ſtandard in fineneſs as ducats, and to paſs by weight as in Holland, would be a check upon counterfeiters, and would prevent clipping or ſweating; coining upon ſuch a proportional value (when eſtimated by ſilver) as is eſtabliſhed at the mints in Portugal, or rather in Spain, would probably be the beſt means of ſecuring a domeſtic currency, though free liberty was given to the exportation of it; and beſides would make an annual difference to the Revenue of more than 50,000l.			26	
			11	
			12	
			14	
		51	46	3
			50	11
			56	
			42	
			14	
			43	
For 200 years, viz. from 1354 to 1554, there was no other gold coined than of 23 car. $3\frac{1}{2}$ gr. fine (i. e. 23 $\frac{23}{24}$ carats) but Henry VIII. introduced inferior ſtandards of different ſorts which were favourable to deception, as is that of the preſent ſtandard of 22 carats.				

TO

TO eſtabliſh a diſtinct unequivocal medium of Exchange for Tranſactions with Foreigners, by ſecuring a faithful adherence to the ſtandard in fineneſs; and by aſcertaining what is the real par or equal exchange in gold and in ſilver coin, between England and Holland, and alſo between England and France.

	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.	N° 7
The par of exchange between England and Holland, is 38 ſk. $7\frac{21}{103}$ gro. Flemiſh, for 1l ſterling, *when eſtimated by ſilver coin*, ſuppoſing the Engliſh 11 oz 2 dw. fine, and the Dutch 10 oz. 18 dw. 23 gr. fine; and *in gold coin* the par is 37 ſk. $3\frac{31}{100}$ Flemiſh, for 1l. ſterling, ſuppoſing both guineas and riders 22 carats fine, ſo that it is 3l. 11s. 1d. per cent. to the *diſadvantage* of England, when the exchange is eſtimated by gold inſtead of ſilver. N. B. The agio of the Bank of Amſterdam is omitted in the above eſtimate, as it frequently varies.			38 22 36	45 45		
The par of exchange between England and France is $28\frac{53}{100}$ pence for three livres, *when eſtimated by ſilver coin*, ſuppoſing the Engliſh 11 oz. 3 dw. fine, and the French 10 oz. 17 dw. fine. And *in gold coin* the par is $28\frac{20}{100}$ pence for three livres, ſuppoſing guineas 22 carats, and louis $21\frac{21}{31}$ carats, ſo that it is 1l. 3s. $4\frac{1}{2}$d. per cent. to the *advantage* of England, when the exchange is eſtimated by gold inſtead of ſilver.			37 19	45		
It is eſſential that the moſt public and moſt unqueſtionable methods that can be deviſed ſhould be adopted, to *aſcertain and publiſh* the quality not only of Engliſh coin, *but of the coins of all other countries* with whom exchanges are made. The quality of coin *in fineneſs* being as much the meaſure of exchange as the weight.	16	6. 12 16. 26 56 62. 63 64. 65 68	3. 4. 10 13. 14. 18 19 to 23 34 to 48 50. 51 52	1. 11 to 14 23 to 39 42. 44. 45 46. 48	3 to 5 11 to 14 15. 17 18. 19 20. 25 26	21 N3 *See Note at Foot
The rules hitherto eſtabliſhed at the Engliſh mint, to ſecure a faithful adherence to the ſtandard in fineneſs of gold coin, *have not been ſufficient for that purpoſe.* As there hath been a deficiency in the guineas of every reign prior to the preſent.	15. 16		2	1. 27		
The rules that were eſtabliſhed for ſecuring the ſtandard in fineneſs of the gold coin, *have not been punctually obſerved.*	15. 16	6. 8. 10 12. 16 56	4. 7. 8.	1	17	

A faithful

May 1794 Refer to Commonplace Book N°. 8. Pages 1 to 11, & And to Letters to Lord Hawkesbury April 14 & 24, and May 2 & 5. &

* July 1793

* Mr Malcome who is at preſent the Kings Aſſayer at the Mint, was paid £200 by the Lords of the Treaſury, for going to France &c, to make Obſervations upon Mints. In conſequence of which He delivered Erroneous Remarks on the Fineneſs of French Gold & Silver Coin, and on the Par of Exchange with Engliſh Silver Coins, which are particularly ſtated in Common-place Book N°. 7. Page 21.

	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.
A faithful adherence to the ſtandard in fineneſs, depends upon the King's Aſſayer *and the Comptroller*, their duties therefore ſhould not only be minutely ſtated, but they ſhould alſo be liable to cenſure, as well as the Maſter and Worker, who alone is liable to fine and ranſom, at the King's pleaſure, for their miſconduct, *though he is incapable of protecting himſelf againſt their errors.*	17. 18	12	8. 9		17. 18
Material remarks upon the rules and practice of the mint, reſpecting fineneſs, in my firſt quarto Common-place Book, p. 29.					
Rules propoſed to ſecure a punctual adherence to the ſtandard in fineneſs.	17. 18	12	8 9. 10	1. 27	18. 19 20
The allowing any allay to be put into gold coin, affords an unneceſſary opportunity for error, and a temptation to fraudulent practices. For 200 years no alloy was put into Engliſh gold coin, and ducats ſtill have the moſt univerſal and unexceptionable circulation.			6		

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
In order to accommodate the extenſive commerce of Britain, and to promote the exports of its manufactures, it is certainly of importance to inveſtigate the fundamental principles on which exchanges are made with foreigners, and to form ſuch a plan as may have a tendency to prevent the wonderful fluctuations; and to check the great power, dexterity, and enormous profits, of eminent remitters; And not merely as commerce, and the balance in bullion are affected thereby; but as government is occaſionally affected, and alſo the payment of dividends to foreigners as they become due from the public funds (which probably amount annually to more than one million of pounds ſterling. *	63 64	3. 4. 10 13. 14 18 to 23 34 to 48 50 to 52	1 11 to 14 23 to 46 48	1. 2 3. 4. 5 8 10 to 20 25 26	~~5 10~~ 7 ~~10 10~~ 14 ~~18 10~~ 5 to 14 10 to 26
My correſpondence with Mr. Hope, of Amſterdam, copied in my firſt quarto Common-place Book, pages 30 to 36, containing elucidations on exchanges. Some notes in my firſt octavo Common-place Book are alſo material, p. 27, 29, 30.					
It is neceſſary to obſerve, that when the exchange *is high* with Holland *and low* with France, they are *both unfavourable to exportation*, and *favourable to importation.*			32 45 46		

* Sept. 1793
Refer to the printed Collection of Facts

Material remarks on exchanges.	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	N.° 7
		43 to 47	55 to 42 45	3		921.
Eminent remitters veſt large ſums of money in the Engliſh funds (*and receive intereſt thereon*) the *principal* they can any time obtain in guineas at a day's notice, by ſelling it for Bank of England notes, ſo that the Bank of England really keeps *a dead ſtock of coin* at the command of remitters, who are receiving intereſt for it from the funds, and can inſtantly at their convenience uſe the guineas either as coin or as bullion for exportation. This circumſtance, ſo important to their power upon exchanges, has been an accommodation extremely prejudicial to England, and not procurable at Amſterdam, Hamburgh, or Paris.——At Amſterdam, when bullion or coin is accepted as foundation for a bank credit (*without intereſt*) the gold is rated at 11l. 0s. 1d. per cent. and the ſilver at 11l. 9s. 7½d. per cent. under the value when eſtimated by Engliſh coin.			35 to 42 61. 62		12 13. 14	
The banks of Amſterdam and Hamburgh being founded *as ſubſtitutes for coin* (of which they have very little) and the value of that *nominal* money varying very much by an agio, is dependent upon the influence of eminent remitters, and has exactly the ſame effect as a fluctuation in the quality of coin; and therefore the principle of exchange with thoſe cities, is not founded *merely* on their coin, *which is frequently ſcarce*. Beſides the Dutch cannot remit gilders, *their legitimate ſilver coin*, to England, not only from the exportation being prohibited, but becauſe their ſilver in currency is much under the ſtandard weight; the ſcarcity of riders, *their legitimate gold coin*, is ſuch, that it would be difficult to obtain 1000 of them. Gold bullion therefore, or Spaniſh dollars as ſilver bullion, are their only reſource for large ſums; and which the remitters ſending into England, may either uſe as bullion, or if more convenient as coin, from the too liberal conduct of the Britiſh government *coining free of expence*. This being the caſe, it follows that the fluctuating price of Spaniſh dollars, and the fluctuating agio on the fixed price of gold, are the true foundations of exchange with Holland, *when payment is made to England*.		36	N.B. Hamburgh ..... 61 62 33. 34 &c.	23 to 25 28. 29 25		1. to 10.

In

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
In the year 1782, bank money at Amſterdam, was worth 5½ per cent. more than coin; but in the year 1790, coin was worth 2½ per cent. more than bank money.					
The fluctuating agio upon the coin or banks of Amſterdam and Hamburgh; and the fluctuation *alſo* in the price of gold and ſilver at thoſe cities; whilſt the Engliſh coining gold and ſilver upon terms *which accommodates the exportation of them as bullion*, affords infinite advantage to remitters; and the commerce and revenue of our country has ſeverely ſuffered from the want of attention to theſe very important points.		36 41	34 35, &c.		
On the 8th of February, 1791, Mr. Balthazar Van Homrigh, of Amſterdam, had in his hands 1,411 gl. 14 ſt. 8d. for merchandiſe that I had conſigned to him for ſale on my account, for which he remitted me 121l. 3s. 7d. as the amount at the exchange of 38 ſk. 10 gr. if the exchange had been at 32 ſk. 6 gr. as it was in the year 1781, the remittance would have been 144l. 16s. and difference to me 22l. 12s. 5d. or per cent. 19l. 9s. 8¼d. except that in the year 1781, there was an agio fluctuating between 3¼ and 5½ per cent. whereas when the remittance was made to me in 1791, the agio was at par.				29	
This tranſaction ſhews not only the difference in commerce as here ſtated againſt the manufactures of our country, and the advantage to the importer of foreign manufactures and products, but it alſo ſhews that if a Dutchman had lent 100l. to an Engliſhman in the year 1781, he would have received it again in the year 1791, with a profit of 19l. 9s. 8¼d. except the variation in the agio at Amſterdam.					

A Sketch relative to the Mode of Exchange between London and Amsterdam with some Specimens, and important Notes thereon
Common-place Book N°. 7. Pages 23, 24, 25, 26, and Book N°. 8. pages 1 to 7
Other Sketches in Book N°. 7 p. 9, in order to shew the Fallacy of reckoning £11 Gilders equal to 12 Sterling
the same Inferences in Book N°. 8 pages 1. 2. 3.

That

That the Coin ſhould be executed in the beſt methods that are known to prevent Counterfeits. The rates paid for Coining, and perquiſites, ſhould not be enormous. The other expences of the Mint, ſhould not exceed the ſum limitted by Law.

	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.
THE ſame clumſy methods of working that were uſed in the laſt century, are ſtill continued at the mint. The coins are not excellent medals, nor are they manufactured in the beſt modes known, to put difficulties upon counterfeiters. Methods of coining therefore propoſed.		32. 36	6. 54	14. 19. 20	1
By referring to papers in the mint office, it appears that in the reign of Henry VIII. the rate given for coining gold was very much leſs than at preſent, though the methods for diſpatch are ſince then extremely improved.		4. 11			
The rates now paid for coining are extravagant, and not only more than formerly *ſince Guineas were coined*, but they afford a perquiſite to the maſter and worker of the mint, and another to the moneyers, which amounts to more than double the real expence of manufacturing. I have no doubt that in the preſent reign thoſe perquiſites have amounted to more than 200,000l.	6, 7, 8	5. 7. 8 11 11. 15. 16 22	12		
Beſides which, if the guineas of the preſent reign *(prior to* 1783*)* had been as deficient in fineneſs as they might have been, without the maſter and worker being liable to cenſure *(if not ſo by deſign)* ſuch deficiency would have amounted to 486,566l. 18s. 9d.					
Or, if they are as much deficient as repreſented by the French, it would amount to 90,385l.		16			
——— by the Dutch ditto 60,256l. 13s. 4d.		16			
In the reign of Charles II. (1674) Henry Slingſby, maſter and worker, the jury of Goldſmiths, reported the pix 15 troy grains in 1lb. worſe than ſtandard.		16			
The guineas of James II. were reported 30 grains worſe. By Lucas & Alchorne, the mint aſſayers.	15	16			
The guineas of William, ditto 13 grains worſe.					

In

	No. 1.	No 2.	No. 3.	No. 4.	No. 5.
In the reign of Anne (1710, Sir Iſaac Newton, maſter and worker) the jury of goldſmiths reported the pix 15 grains worſe.		16			
In the reign of George II. (1740, John Conduit, maſter worker) the goldſmiths jury reported the pix 7½ troy grains worſe		16			
If the guineas of the preſent King's reign, prior to 1783, had been deficient in fineneſs in every pound.	30 grains (as in the reign of James II. above) would have amounted to 180,770l. 15 grains (as Charles II. and Anne above) ditto 90,385l. 7½ grains (as George II. above) ditto 45,192l. 10s. 1 grain only, ditto 6,025l. 13s. 4d.				
And it is remarkable that when aſſays are made upon gold offered to the mint for coining, and alſo when the jury of the goldſmiths company aſſay the pix, *no notice is taken of a ſmaller degree of fineneſs than* 1-8th *of a carat grain (which is* 7½ *troy grains) though one grain troy as above mentioned amounts to* 6,025l. 13s. 4d.					
From an examination of what is above ſtated, will be readily ſeen *the great latitude* that is allowed for perquiſite in fineneſs, *and a part of the improper conſequences.*		16	3. 4	1. 27	
A jury of the goldſmith's company, are appointed to try the quality of ſpecimens of the coin (called pix) by making comparative aſſays, between the ſpecimens and a plate called a ſtandard trial piece; it is remarkable that there are three of thoſe plates in exiſtence, made at different periods (viz. 1688, 1708, and 1728) *each of which have been referred to at different times*, but it is obſervable that Lord Cadogan's coin was compared with the plate of 1688.	3		7 7		
The plates ſhould be aſſayed by the moſt eminent aſſayers in Europe, and more effectual methods adopted, to ſecure a faithful adherence to the ſtandard; it is evident that the trials by the jury of the goldſmith's company, have been inſufficient to correct the miſconduct at the mint, therefore methods are propoſed which will effectually protect the ſtandard.	15		7. 8 9. 10	1. 14	18. 19. 20

The

	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.
The other expences of the mint, viz. the *fees, ſalaries of the officers, repairing buildings, and providing neceſſaries* for aſſaying, melting, and coining, were reſtrained by 4 Anne c. 22. to 3500l. per annum; but *now the ſettled annual payments* are 3,553l. 11s. 6d. beſides *repairing buildings* and *providing neceſſaries*, and *allowance for houſe rents*, amounting to about 1,126l. 10s.		22			
Since the 12 Charles II. the *ſettled annual payments* have increaſed from 1,149l. 7s. 4d. to 3,553l. 11s. 6d.		13			
In the preſent reign to the year 1782, the *real expence* of manufacturing coin (excluſive of the recoinage in 1773, &c.) was annually about 2000l. *(only)* But the perquiſites, profits, fees, ſalaries, and other expences, were about 9,000l.		15	11		
We found ſeventeen mint houſes, of which *only* five are inhabited either by officers or deputies.	19				
And *fourteen* of the mint officers have annual allowance for houſe rent.	1 to 19 Appen.				
The three principal officers of the mint (viz. *warden, maſter worker*, and *comptroller*) are utterly incapable of performing the duties of the ſeveral offices, and do not attend	19		7. 8		17
The ſurveyor of the meltings, is a mere ſinecure; he never attends, *though injunctions* in the King's indenture *for his perſonally performing* certain important duties, are very explicitly expreſſed.		8. 10. 12	8		17
The weigher and teller, pays a deputy 27l. 10s. per annum, to attend to the duty of the office.	4 App.				
The king's clerk, and clerk of the papers, pays a deputy 26l. per annum, to do the duties of of the office.	4 App.				
The clerk to the warden, a place *created as a ſinecure*	15				
The office keeper, a mere ſinecure, no attendance for it.	15				
The office ſweeper, the duty done by a deputy for 10s. a year.	15				

Upon

	No. 1.	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
Upon the whole, from the want of attention to this eſtabliſhment *where the fundamental meaſure of property for domeſtic and foreign exchanges is created.*						
The rates paid, and perquiſites allowed are enormous.	2. 7. 9. A.	22 11. 15	11. 12	47		
The manufacturing *hath not* been faithfully performed, nor in the moſt effectual manner to prevent counterfeits.	15	6. 12	53. 54	18. 19. 20	1. 17	
Eſſential domeſtic accommodation hath been neglected, and by permitting the *neceſſary currency to be eaſily counterfeited*, many have been ruined, and ſome have ſuffered death.	27	66 67 72	29. 30 53. 54	15. 16 18. 19	6 7	
The principles, and practice, of the eſtabliſhment, have in various inſtances been injurious to our country in tranſactions with foreigners, and the revenue hath certainly loſt many hundred thouſand pounds, I believe ſome millions from inattention to this department.	16 2. 9. Ap.	16. 25 69 16. 29. 66 67. 69	3, 4. 5.	1. 4. 5. 7. 9. 25 26 to 48	11. 12 to 16	~~1. 2. 3~~ ~~4. 5. 6. 7~~ ~~8. 10. 11~~ ~~13. 14~~ ~~18. 19~~ 4 to 26
Some material remarks on this ſubject, are alſo entered in my firſt quarto common-place book, pages 23, 24, 25, 26, 27, 28, and 29.						
The principal ſtation in the mint, is the maſter, who is likewiſe *(ſtill)* ſtiled *the worker*, and is alſo the melter, but inſtead of being a worker, melter, refiner, aſſayer, or experienced in extenſive works *(as formerly)* this important truſt hath for many years been poſſeſſed by noblemen, or gentlemen, utterly unqualified to direct the punctual and proper execution of the manufacture.			7 13 14		17	
The comptroller is by ſtatute ordered to be an expert man, having *perfect knowledge in the myſtery of goldſmiths* and *the mint*, and is by his patent ſtiled *an aſſayer*, and that the King very much depending upon his fidelity, *experience*, and prudent circumſpection appoints him comptroller and *aſſayer* of the coinage of gold and ſilver, and yet this office, though a very important one, for the protection of the ſtandard in fineneſs, is become a mere ſinecure, and executed by a deputy.		12			17	

NB
Sept^r 1793
Refer to the
printed Collection
of Facts

General Obſervations upon Mint Eſtabliſhments and upon Subſtitutes for Coin at Amſterdam, Hamburgh, and *England*.

	No. 2. 4 to 13	No. 3.	No. 4.	No. 5.	No. 6.	N°7
ABSTRACTS from all the rules and mint indentures, that could be found in the mint and chapel of the rolls, *with remarks thereon.*						
The rules and expence of coining at the French mints.		17.26	47			
The rules eſtabliſhed at the Dutch mints.		41.42				
The different allays of the current ſilver coins, at Amſterdam				26		
Hamburgh - - -				23		
Paris - - - -		39.43	11.29			
Peterſburgh - - -		48				
Aſſays of guineas, riders, ducats, and rubles, in gold, and of gilders, French crowns, and rubles in ſilver; and the goldſmiths' account of aſſaying their own diet, and many important remarks on aſſaying of coins, in my firſt octavo common-place-book, p. 48 to 52.						
Regiſters of many aſſays, and many accurate workings by *teſts*, and by diſſolving in *aqua-fortis*, of conſiderable quantities of old and new dollars, and of old and new French crowns, gilders, rix-dollars, and ducatoons, in a little octavo book (begun December 1788.)						
The fundamental rules eſtabliſhed for the conduct of the Bank. at Amſterdam				24 to 26		
at Hamburgh			62. 34	23. 25 26		
			61			
The frequent variation in the agio of the banks of Amſterdam, hath exactly the ſame effect as though the ſovereigns made the ſame frequent alterations in the value of their coins.		36	34	23. 24		
Remarks upon the bank paper of Ruſſia, and of the coins and exchanges with Ruſſia.		48. 49				
Gold bullion has a fixed price at Amſterdam, *both at the mint and market.* But the real market price of the gold is rated by an *agio* upon that fixed price for current money, which agio in the years 1782 to 1792, *varied* between $3\frac{1}{4}$ and $9\frac{1}{4}$ per cent.		41			1 to	1 to
		36			8	8
And there is *another agio* to convert it into bank money, which in the ſame period varied eight per cent.						

Variations

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	No. 7
Variations relative to the *market*, and to the *mint* price of gold and silver at Paris, in the years 1782, 1784, 1785, 1787, and 1788, with *the addition of the proportional value between gold and silver, at those periods.*			10			
The *market* price of gold and silver at London, Paris, and Amsterdam, in April 1788, with *the addition of the proportional value* between gold and silver in those cities at that period.			10			
A table shewing the variations in *the proportional value between gold and silver English coin, since the* 18th of Ed. III. (1344.)	14	35	13			
A plan for the future *conduct of the manufacture* at the mint, describing *the requisite duties* of the following officers: , Warden, , King's Assayer , Master Worker, , Master Workers Assayer, , Comptroller , King's Clerk , Surveyor of the Meltings. And rules to be observed to secure a faithful adherence to the standard in fineness, and that no doubt may remain respecting it at the mints of France and Holland, or, &c.	12	7 to 10		17 to 19		17 18
Extracts from Mr. Calonne's defence of his conduct in the recoinage of gold (as by edict, 30th November, 1785) *containing many sound principles on coinage.*			28 to 31			19
An investigation of the principles of coinage, and practice at the English and foreign mints, and of the substitutes for coin established at Amsterdam and Hamburgh, was unfortunately omitted at the great recoinage in the year 1773, &c. and particularly in the following instances; Viz.	15. 21 27. 69 73 to 76	1 to 19 22. 34 35. 36 40. 41 47. 51	8. 9 10 to 14 23 to 48	1 to 5 8 to 20 23 to 29	4 to 26 ~~19~~	
Increasing the debt due to foreigners.				14.	~~2~~ 6. 8. 9. 10 ~~7 8 10~~	
The proportional value at which different states estimate gold and silver.	14. 40. 52 57. 65	34. 35	6. 13. 29 30. 31	3	6	
The deficiency of *fineness* in the coins of France and Holland.		40. 42	29			
An accurate estimate of the proportional value between the coins of England, and those of France and Holland.	20		11. 12	3. 4	9. 10. ~~12~~ 13.	
The seignorage taken for coining in France and Holland, and whether *it was or was not sound policy to take a seignorage upon coin.*		17. 26 41. 42	8. 38	12 to 16	~~10 18~~ 19 to 25	

Wether

N°5

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
Whether the balance in gold and silver is evidently against England (after paying interest of the debt owing to foreigners) as intimated by Mr. Hope's letter to me, dated at Amsterdam, October 22, 1782.	17 17		48	12. 27 28. 29 10	12 to 14
Whether it was judicious to permit both gold and silver to be a legal tender. Mr. Locke says, "two metals cannot be the measure of commerce both together," quarto 8 edit. p. 99.	66		5. 6. 7 25 49		
In the year 1783, *the market price of gold of* 22 *carats, was* 77*s.* 11*d. per ounce.* ——— *of silver of* 11 *oz.* 2 *dw.* 6*s.* $0\frac{3}{8}$*d.* *Therefore the proportion between* fine *gold and* fine *silver at that time, was as one of Gold to* 13 $\frac{3}{100}$ of silver. *In the year* 1785, *the market price of gold of* 22 *carats, was* 77*s.* 1*d. per ounce.* ——— *of silver of* 11 *oz.* 2 *dw.* 5*s.* $1\frac{1}{4}$*d.* *Therefore the proportion between* fine *gold and* fine *silver at that time, was as one of gold to* 15 $\frac{24}{100}$ of silver. The difference between 13 $\frac{3}{100}$ and 15 $\frac{24}{100}$ is 16 $\frac{96}{100}$ per cent.		34			
Whether that opportunity should be taken to make *trading coin*, as in Holland, or to recover the seignorage which had been resigned by Charles II. "*for the encouragement of the bringing gold and silver into the realm to be converted into the current money of this kingdom.*"	65. 66 7		9. 12 38. 42 to 44		
Mr. Locke says, "The only way to bring gold and silver to the mint for the increase of our stock of money and treasure which shall stay here is *an over balance of our whole trade*; all other ways to increase our money and riches, are but projects and will fail us." "The only way to bring treasure into England, is *the well ordering of our trade.*"			53		
Mr. Necker to the same tenor, vol. 3, on finance, page 32, says, "The art of the most skilful banker, cannot augment the importation of gold and silver, further than proportionate to the extent of the debt due by other nations to France."					
Whether the course of exchange with Holland (where the whole exchanges of Europe are materially influenced) would not completely justify coining guineas, weighing 5 dw. 6 gr. each (instead of 5 dw. 9 $\frac{12}{15}$ gr.) or 5 dw. for 1*l.* sterling. *				4	10

* June 1793

Copy of a Letter to Lord Hawkesbury June 18. 1793

Tables

			No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
Tables containing accurate eſtimates of the par of exchange *by coins.*							
And by the *market price* of bullion in London.	With Holland	in ſilver.		21. 38			
		in gold.		22. 51	11		10
By ſilver of the *Engliſh ſtandard*, from 5s. to 6s. 1d. per oz.	With France.	in ſilver.		20. 37			
By gold of the *Engliſh ſtandard*, from 3l. 17s. to 4l. 2s. per oz.		in gold.		19	11		
Although it has been univerſally admitted, that 3 livres French money, were equal to 30 pence Engliſh, and that 11 gilders of Dutch money were equal to 20 ſhillings Engliſh, and that it has been a general opinion to reckon the par accordingly, yet upon referring to theſe tables it appears, that by ſuch eſtimate with Holland (by ſilver coin) the exchange is 4l. 19s. $2\frac{3}{4}$d. per cent. and with France 5l. 2s. 9d. per cent. to the diſadvantage of England.							
The exchange with France in gold coin, is 5l. 19s. 1d. per cent. to the diſadvantage of England, when eſtimated at the rate of 30 Engliſh pence for 3 French livres (i. e. 20 ſhillings for a louis) and a piece of gold (22 carats) weighing 4 dw. 22 gr. would be worth 1l. 12s. $2\frac{1}{4}$d. per cent. more than a louis. The only *legitimate* gold coin in Holland, is a rider of 14 gilders, but the price of gold hath advanced ſo much in that country, as to render it difficult, and probably not poſſible, to procure 1000 riders at one per cent. above the nominal price, though 5l. 11s. 5d. per cent. was taken as a ſeignorage at coining, ſo that a piece of gold (22 carats) weighing 5 dw. would be worth 1l. 1s. $8\frac{3}{4}$d. per cent. more than 11 gilders of Dutch gold coin.						4	5 ~~4~~ 13
A Table made from Lloyd's Liſt, containing an account of the higheſt and loweſt exchanges with Holland and France, during the years 1780 to 1791, by which it appears, that exchanges had frequently been *enormouſly* againſt England. Since the year 1788, the convulſions in France have rendered all inferences from exchanges very uncertain; but before that period, the exchanges with Holland indicate *that the balance in bullion is againſt England.*				36			~~X~~

The

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
The value of gold when compared with silver, varies very much by the rules established at the mints of England, France, Holland, Spain, and Portugal, upon the whole 11l. 2s. 6d. per cent. and not one exactly in the same proportion as another.	27		30. 31	11	6
					N.B. June 1793
The price of silver fluctuates extremely, and lately 15 per cent. in the course of about two years. And upon referring to the established rules of the Dutch mints, it will be found *utterly impossible* for the English to support a currency in silver coin, without altering the rules of their mint; and upon referring to the state of the French coin, it will be found that the alteration made at their mints in 1785, will materially affect the value of all the gold coin in Europe (when estimated by silver) and how it may affect the Bank of England and English currency, *is entitled to serious consideration.*—— Mr. Calonne says, "We should particularly "cast our eyes upon Spain and Portugal, "when we wish to appreciate those metals "which are principally derived from their "states. Gold and silver are the natural "productions of their territories, as wine "and corn are of France. It belongs there- "fore to those two powers to appreciate "their intrinsic value."	- - - -	34 - -	- - - - -	- - - - -	The Market price of Silver was 19 3/10 p Cent more in 1783 than at this time —
					The price of Silver has varied 9 15/100 p Cent in the last 12 Months
	66				
	40. 42		5. 6. 7.		
	43. 46	38. 42	47	3	
	49. 50	15. 16	30. 31		
	52. 53		30		
	65				
Montesquieu says, "Holland has as much spe- "cie as all the other nations together; it "is then most proper for the other to regu- "late theirs by her standard."——There can be no doubt that France possesses much more coin than any other nation, though probably more gold and silver is owing to Holland than all the coin in France.		15	31		13
Tables shewing variations in the price of gold and silver:					
At the London market from 1780 to 1791. to 1793					1793
At the Amsterdam ditto, from 1780 to 1790.		34	10		Copy of Letters to
At the Paris ditto, from 1782 to 1788					Lord Hawkesbury June
Paris, at the mint, 1784 and 1786.					Lord Lansdown July 5th

A Table

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	N° 7
A Table ſhewing the variation hath been 95l. 5s. 1d. per cent. in the currency of gold coin (22 carats) in England ſince the 43d Elizab. and that guineas were current between the reign of Charles II. (1660) and Geo. I. (1717) at very different rates, viz. 20s. 21s. 21s. 6d. 22s. 25s. 26s. 28s. and 30s. each, by common conſent (as trading coins) but were not allowed to be legal tender for large ſums of money, nor are they now legal tender expreſsly by ſtatute. Since the year 1717, the guinea has always been current at 21s. which is after the rate of 16l. 1s. 8¾d. per cent. advance upon the mint price of Char. II. and 39l. 9s. 6½d. per cent. advance upon the mint price of Elizab. although the mint price of 1 lb. of ſilver coin is the ſame as in that queen's reign, except that ſhe took 3l. 6s. 8d. per cent. as ſeignorage on ſilver, which was not abated until the reign of Char. II.	14 10 14				20 ~~18~~	
During the laſt eleven years, the price of gold bullion in Holland, hath fluctuated by an agio between 3¼ and 9½ above the coining price, and ducats, their trading gold coin, advanced more than 4 per cent. on the current price, and riders, their legitimate coin, more than one per cent. above the legal value, though 5l. 11s. 5d. per cent. was taken as ſeignorage at coining. Theſe facts evidently ſhew the utter impoſſibility of preventing a variation in the price of gold, either in bullion or coin, and that taking a ſeignorage is merely a check upon the exportation to a certain degree, in proportion to the ſeignorage taken; for the balance in bullion with all Europe, is certainly in favour of Holland, yet their riders have been melted or exported, notwithſtanding the ſeignorage taken upon them.		41 41 41			22 ~~6~~	25 1 to 8
In the reign of Char. II. the ſeignorage at the Engliſh mint was reſigned, "for the encouragement of the bringing gold and ſilver into the realm, to be coined into the current money of this kingdom."	7					
Mr. Locke ſays, "The only way to bring gold and ſilver to the mint, for the increaſe of our ſtock of money and treaſure, which ſhall ſtay here, is an over balance of our whole trade."					21 ~~9~~	

Mr.

1744. Trading Gold Coin (Ducats) hath now advanced £ 5. 12. 2 per Cent.
Legal Gold Coin (Riders) ..... ditto ..... 3. 19. 1 per C.
Gold in Bullion ..... ditto ..... 7. 5. - per C.

See Commonplace Book N° 7. p. 25 & 26 and ditto N° 2 p. 24.

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
Mr. Necker repreſents the ſame idea as Mr. Locke, by an ingenious fiction, and in explicit terms cenſures the reduction of *a part* of the ſeignorage that was made in France, and ſays "that it may be ranked among "the claſs of reprehenſible prodigalities," as a temporary advantage "to conſiderable "bankers, and other individuals availing "themſelves of their credit and the ignor- "ance of the Miniſters of Finances."					21 ~~19~~
Mr. Adam Smith, on the Wealth of Nations, gives 8 pages on this ſubject, and obſerves that the Directors of the Bank would probably be unwilling to agree to a ſeignorage; and he ſtates the ſubject in ſeveral points of view, to ſhew they would not be loſers by it. And adds, "When the tax upon coinage "is ſo moderate as not to encourage falſe "coining, though every body advances the "tax, no body finally pays it, becauſe every "body gets it back in the advanced value of "the coin."——"The government, when "it defrays the expence of coinage, not only "incurs ſome ſmall expence, but loſes "ſome ſmall revenue, which it might get "by a proper duty, and neither the bank "or any other private perſons, are in the "ſmalleſt degree benefitted by this uſeleſs "piece of generoſity."					21 ~~19~~
Upon inveſtigating the expediency of taking a ſeignorage on gold coin, the following particulars occur:—					
Whether, indebted as this country is to foreigners, there ought not to be coin which they might have free liberty to export, when they receive it either as principal or intereſt.	28			10. 11 14	19
That the nominal value of the gold coin ſhould be nearly equal to what is eſteemed (or really is) the par of exchange between England and Holland, and England and France, in gold coins.	20	45 to 47	8. 38	10	~~6~~ ~~14~~ 9. 10. 13. 25
Whether foreigners have an equitable or legal right to claim payment *in gold*, and if ſo, whether after the rate of either 5 dw. $9\frac{32}{33}$ gr. or 5 dw. 8 gr. 22 carats fine for 21s. as payment on account of the debt owing to them, notwithſtanding any variation that might ariſe in the proportional value of gold when compared with ſilver; or have the Engliſh a right to inſiſt upon foreigners accepting of ſuch gold in payment for 21 ſhillings, if the value of gold ſhould by any accident be as much reduced as it hath been advanced.	28 68. 69	41..	6. 10.	14 3...	6 ~~19~~ 21 26.

May 1794
Refer to pages 329, in Commonplace Book N°8
and to Pages 26 & 27 in Commonplace Book N°7

Whether

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.	N.° 7
Whether it is not neceſſary to coin *gold* of ſuch weight to paſs for 20 ſhillings, as will have a tendency to ſecure an ample domeſtic currency, and alſo *have a tendency to prevent its exportation as bullion*, and thereby prove dangerous to the Bank of England and public credit.	19 20. 25	45 to 47	8. 38	10	17, 24. 25	23 to 28
Whether taking a ſeignorage on gold coin, *will act as a bounty upon the exportation* of Britiſh manufacture and products, and have the ſame effect as a tax *upon the importation* of foreign manufactures and products that interfere with our own. See my firſt octavo Common-place Book, p. 27, 92.	29		9 25. 32	13 14. 15	24. 25	26
Whether there is not reaſon to believe, that the balance of bullion is againſt our country, when it is conſidered that the courſe of exchange with Holland and France, hath been unfavourable for us; and that ſince the acceſſion of Charles II. there has been coined to the amount of more than ſixty millions of pounds ſterling, and that *not a moiety* of that coin is in exiſtence, though it is probable *we have borrowed more gold and ſilver of foreigners than the value of all the coin in circulation*.—Theſe circumſtances indicate that the balance in bullion is againſt our country, and the neceſſity of taking ſome meaſures to counteract that frightful circumſtance.	51	36 15		10 12 27. 28 29	11. 12. 25	
Whether ſuch rules could not be eſtabliſhed at the mint, as to afford an acceptable accommodation to the public, and make a difference of more than 50,000l. per annum to the the revenue, not only without acting diſhonourably by the creditors of the nation, or raiſing the price of proviſions and labour, but certainly increaſe the ſales of our manufactures and products, and have a tendency to reſtrain the enormous influence of eminent remitters, and add to the ſtability of the Bank of England.	20 22 to 29 46 65. 66 73 to 76		8. 25 43	3. 4. 6 7. 11 17 to 20	13	18 12 in Note 3
1793 X Note below — Propoſal for coining gold *as a trading coin*, and without reſtraining the exportation.	64 to 72		12. 43 44	3. 4 11	13	18 12, in Note x 3.
As an act of juſtice (and not a breach of faith) to foreigners who are entitled to payment of principal and intereſt for money they have veſted in government ſecurities.	28			3. 10 14	19	

E As

1793 Refer to Copies of Letters To the Marquis of Lansdown June 9.th & July 5.th 1793
To Lord Hawkesbury June 18.th 1793

	No. 2.	No. 3.	No. 4.	No. 5.	No. 6.
As a check upon the influence of eminent remitters.	65				
As having a tendency to ſecure a domeſtic currency in gold, inſtead of the dangerous expedient of five guinea notes.	62. 63 65				
As a great public accommodation in payments under five guineas.	65				
As an article of revenue.	65				
In Mr. Adam Smith's argument in favour of ſeignorage, he obſerves, upon the danger ariſing from counterfeits, "That in France, though ſeignorage is 8 per cent. no ſenſible inconvenience of this kind is found to ariſe from it."	. . .	- - -	- - -	- - -	21
The French King's *profit* on gold coin, from the year 1729 to 1755, was $5\frac{11}{20}$ per cent. but ſince the year 1785, *the whole ſeignorage* has been only about 3 per cent. which upon the gold coined at the Engliſh mint *in the preſent reign*, excluſive of the re-coinage would have amounted to 797,077l. 7s.	. . .	- - -	- - -	- - -	23
* Since 30th October, 1785, the French have coined louis of 24 livres, weighing 4 dw. $21\frac{77}{100}$ gr. and of the avowed fineneſs of $21\frac{2}{11}$ carats, three livres of which are univerſally reckoned equal to 30 pence in Engliſh gold coin, that eſtimate is 6l. 3s. 8d. per cent. to the diſadvantage of England (ſuppoſing guineas 22 carats fine, and weighing 5 dw. $9\frac{18}{19}$ gr.) and which in every million of pounds ſterling, amounts to 61,833l. 6s. 8d. and *if ſix millions have been coined in England ſince* 1785, that per centage would have amounted to 371,000l.	. . .	- - -	- - -	- - -	23
If guineas *at the recoinage* in the years 1773, 1774, &c. had been coined with the ſame ſeignorage as is taken at the Dutch mints on riders, it would have made a difference to the revenue of 849,344l.	- - -	- - -	- - -	- - -	23
And if only 3 per cent. had been taken as in France, it would have made a difference of 457,388l.	- - -	- - -	- - -	- - -	24
Other obſervations relative to the difference it would have made to the revenue *if the recoinage* had been made on the ſame principle as ducats, *which is the trading coin* of Holland.	. . .	- - -	- - -	- - -	23

General

August 1794 would now have amounted to more than One Million of Pounds Sterling . . .

	No. 2.	No. 4.	No. 5.	No. 6
General observations upon mint eſtabliſhments, coins, and exchanges, and upon the enormous circulation of *ſmall notes* as *ſubſtitutes* for coin, in a correſpondence with Lord Hawkeſbury, and anſwers to queſtions from the Lords of Council.	63 to 72 33 to 54			
Lord Hawkeſbury in converſation ſtated to me fourteen important points relative to gold, ſilver, and copper coins, which after I had anſwered, his Lordſhip requeſted I would put the whole in writing (they are copied).	55 to 62			
Extracts from Mr. Locke's conſiderations on the value of money, and remarks thereon.		49 to 56		
Whether the very extenſive circulation of five guinea notes as currency, inſtead of coin, hath the ſame or any effect, as gold and ſilver, would have to raiſe the price of proviſions and labour.	48			
Bankers five guinea notes are by *premiums* diſperſed into circulation.	49			
The notes of many different banks *have been counterfeited*, and may be ſo eaſily counterfeited, as to paſs without detection by yeomanry, &c. &c.	48			
1709 Five guinea notes having been circulated to a great amount *as ſubſtitutes for gold coin*, hath *already* occaſioned a ſcarcity of it in many parts of the kingdom, and though more guineas have lately been coined than formerly, yet there is great reaſon to believe that upon the whole the quantity in the kingdom is very much diminiſhed, as it hath been profitable to export them as bullion.	48 51		5. 12	
In the Months of March April & May in the Year 1793, Specimens occur of Conſequences that may be expected from the intimations given in theſe Paragraphs, which were made ſome Years prior to 1793 — Country bankers veſt property in government ſecurities, *as a reſource for coin in caſe of need*; but if from any cauſe there ſhould be a ſtagnation in the circulation of their notes, in conſequence of counterfeits, or any public calamity, their ſelling government ſecurities would inſtantly bring the demand for coin upon the bank of England; the directors of that bank, no doubt, form a good opinion of the neceſſary quantity for a ready payment of their own paper, yet they cannot form a rational opinion of the prodigious amount of five guinea notes, *which there is no other fund of caſh to rely upon for the payment.*	40 to 50	+		
Notwithſtanding the unqueſtionable ſtability of the bank of England, and the credit of bank notes, yet the powers of government *very much depend upon plenty of gold coin in currency*: and the aid which government and commerce receive from that bank, *requires a ſufficient quantity of coin in the country to ſupport a ready currency of their notes*: and *the directors have not always been without apprehenſion from a ſcarcity of gold coin.*	40		5. 12 27 to 29	17

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